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February 26, 2010

Public Service Commission of South Carolina
Attn: Docketing Dept.
P. O. Drawer 11649
Columbia, S. C. 29211

Dear Commission Members;

I have been a customer of **SCE&G** for Natural Gas and electricity for almost 5 years in a condominium off Dorchester Road. I moved from North Carolina in which **Duke Energy** was my utility provider and provided power costs at a cost of 1,000 kilowatt hours for about \$93, more or less. The same 1,000 kilowatt hours charged by **SCE&G** for a period January 2006 – 2010 (cost/KWH includes rate, Basic Facility Charge and Franchise Fee) is:

<u>MONTH/YEAR</u>	<u>AVG KWH TOTAL COST/KWH USED</u>
Jan 2006	\$0.0898
Jan 2007	\$0.0924
Jan 2008	\$0.1185
Jan 2009	\$0.1266
Jan 2010	\$0.1317

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In addition, **SCE&G** was approved for a 2.5% rate increase annually for the next decade following the 4.8% rate increase in 2008. The new rate increase will boost residential power bills for the average **SCE&G** customer by about \$140/year by July 2011.

SCE&G has higher rates than other investor-owned utilities, as well as publicly owned Santee-Cooper.

Duke Energy customers have a cost for 1,000 KWH of approximately \$93, following its recent rate increase. For **SCE&G**, the same level of power costs \$118. The rate increase, if granted, would be \$130. The proposed **SCE&G** rates and charges represent a total increase of approximately 9.52% which includes three distinct stages: initial phase July 15, 2010 increases +3.19%; second phase January 1, 2011 increases +3.06%; third phase July 1, 2011 increases +3.27%.

As reported February 12, 2010, the number of electric customers increased +0.8%, however electric sales fell 4.3% for the last quarter of 2009. **Scana**, parent of **SCE&G**, stated its earnings fell nearly 12% to \$76 Million or \$.62 per share. For the full year,

Scana earned \$348 Million (\$2.85 per share) which was a 1% increase from 2008. They raised their dividend by a half-a-penny to \$0.475 per share.

In a period of time that the state unemployment is over 11%, businesses are closing frequently and residents are not getting cost of living increases, it appears these utility rate increases are exorbitant and unjustified. The Federal Government is presently granting loans to companies like **SCE&G** to build nuclear power plants, and it is highly possible that **SCE&G** will be eligible for such loans at low interest rates. Any Government loans are being made with compliments of the income tax payers.

SCE&G reportedly owns the old **Fort Moultrie Officers' Club**, now called **The Sands Dunes Club** and about 3 acres which are a prime beach front location and is reportedly worth approximately \$8 Million. The executives and employees have use of the pool facilities at their private beach on Sullivan's Island. The executives have large salaries, pension plans and all the other amenities that the South Carolina unemployed do not have the privilege to enjoy.

This letter addresses many **Scana** and **SCE&G** advantages that the companies enjoy without considering the customers they serve. I suggest they ask the Federal Government to provide a loan to support their future plans before they begin to dig into the customer pockets for years to come. Most private corporations raise money by selling bonds to promote expansion and future investments – no difference for this company.

I have attempted to address issues that I understand to be public facts and how a company that provides a necessary product for the people (same as the grocery stores and other important businesses) of South Carolina to purchase and use, however, with this position in society there is a requirement that they exercise responsible judgment in their future growth and public expectations.

Thanks for the privilege to express my concerns.

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